Penn State Actuarial Science Club

September 2013

My name is Stan Korostin and I am your 2013-2014 Actuarial Science Club president. I hope that everyone's break was relaxing so that we are all recharged and ready to participate in all of the great events that we have planned. With the help of our club's executive team, we will be putting on an unparalleled year. As two additional PHD professors join to teach for the actuarial option, we are sure to have an exciting year.
Be sure to **get involved!**

The executive team has been working hard to program this semester's events.
Here are some significant dates to mark on your calendar:

- Major Meeting – 9/4 @ 6 p.m. in 112 Forest Resources Building
- Resume Workshop – 9/11 @ 6 p.m. in 007 Business Building
- Interview Workshop – 9/18 @ 6 p.m. in 007 Business Building
- Actuarial Science Career Fair – 9/26 @ 5 p.m. – 8 p.m. in the Business Building Atrium
- Senior Panel - TBA
- Guest Speaker Mark Freedman (SOA President) – 11/20 @ 6:30 p.m. in 110 Business

Our club has a Facebook group and Facebook fan page! Become a part of both and boost Penn State's digital presence!

Other great things to look forward to:

- Annual hay ride
- Socials (YES!)
- Mentorship program
- Exam P/1 and Exam FM/2 Official Review Sessions
- THON Canning Trips

I am very excited to work with this sharp group this year. If you ever need anything, have any questions about the actuarial career, or have suggestions for the club, send me an email at sak5389@psu.edu, or approach me in the Business Atrium!

Best of Luck,
Stan

Day in the Life of a New Full-Timer

By: Ian Aquilino

One the the biggest questions that I always had during my time at Penn State was how being an employee differed from being a student. Spoiler alert: life as a college student and as a new-hire are about as opposite as they can get. This June I began my career as an actuarial assistant at a life insurance company in Manhattan. Although I interned at the same company that I am now working for, I still found the transition from student to employee to be exciting and challenging. The first difference that I came across was the lack of free time. You may think you’re busy as a student, but you aren’t. You’ll never have as much free time after college as you do in college, and that’s a simple fact of life. This isn’t necessarily a bad thing, though. It will require you to rearrange your schedule and develop new time management methods that work for your new lifestyle. I’ll discuss a typical day of mine, which will hopefully demystify what it is you do as a working alumnus.

I work in an Experience Studies department, which I hadn’t heard of inside of the classroom. In this role, I do internal research on different products’ policyholder behavior in order to assist our pricing and valuation teams. I take the subway to work and arrive around 9 a.m. every day. Throughout the day, I’ll work on several projects that we’re preparing for different teams. Currently, I’m performing a lapse study that will help track the likelihood that a customer will surrender their policy. You’ll learn that this is important to track because of the high cost an insurer experiences at the inception of a policy. I usually have to request data from administration teams so that I can begin to perform a study. We use Access, a database tool, to query the data and organize it in a meaningful way. Afterwards, we perform calculations in Excel with VBA coding to generate our output. I spend a lot of time coding and running queries on data, but still have a lot of facetime with other employees. It’s important to work with my manager to ensure we’re on the same page with our studies, and it’s critical to communicate with other teams so that our final product meets the needs they intended.

I usually work until around 6 in the evening, and try to study for my exams several days a week after work. It’s definitely more difficult to study for exams while working, so I suggest you try to complete as many as you can before you graduate! The working life has been good to me, though, and I’m happy to be applying the skills that I developed at Penn State. Hopefully this is helpful to those of you who will be starting your careers either as interns or full time employees. Just keep in mind that learning is continuous, and that you should approach the workplace with the mentality of a student. This means being open minded, willing to learn, and dedicated.

Internship Profiles

Read about various student internship experiences in P/C and life, health, and consulting!

Erie Insurance Group

By: Amy Weidert

This summer I interned at Erie Insurance Group in Erie, Pennsylvania. I was placed in the life actuarial department, but also got exposure to P/C actuarial as well.

Each intern was assigned a main project to work on over the summer, and mine involved building a stochastic mortality model for Erie's life policies, to derive their distribution of expected claims. The project involved a lot of Excel and VBA, and surprisingly, applied knowledge from both P and MLC exam material. At the end of the summer the actuarial/finance interns presented our individual projects to the financial directors of the company.

Besides working on my main project throughout the summer, I had various other "mini projects," trainings, and networking events. I was introduced to Prophet software and projections work in life, as well as the valuation process. In P/C, I worked on a reserving project and also a project to evaluate Erie's auto minimum premium. In regards to trainings, all of the actuarial interns had organized weekly trainings on different actuarial topics. These were helpful in getting a broad exposure to the actuarial processes outside of our main projects. Lastly, we had many networking events throughout the summer.

We had organized events with the CEO, as well as the CFO and her directors. The finance and actuarial interns participated in "Lunch and Learn Sessions" with various higher-ups in the company to understand the different divisions within Erie. The P/C chief actuary took the actuarial interns out to lunch nearing our last week, and the life chief actuary even made time in his schedule for me to ask him whatever questions I pleased on any topic.

I am happy to say that I had a wonderful internship experience, and have found that Erie Insurance is truly a great place to work. The company atmosphere is great, and my coworkers were very welcoming and helpful. I grew a lot over the summer and am thankful for the great opportunity I was provided!

Mercer

By: TJ Chukwueke

This summer I had the wonderful opportunity to intern with Mercer in Philadelphia, PA. Mercer is one of the more distinguished Consulting firms in the entire world. Vault's 2013 consulting ratings place them at **#1 in Human Resource Consulting** and **#27 in Overall Consulting**. So without any doubt, I was truly ecstatic to be spending my summer with them.

I worked on numerous client projects ranging from Benefit Calculations to Term Vested Cashouts and many things in between. As an intern I was able to see many assignments that have helped me achieve a better understanding of retirement plans, investment strategies, and actuarial consulting as a whole.

During my internship I was able to reproduce client work from another consulting firm's actuarial consultants per our new acquisition, I was available to help out with ad hoc projects that surfaced throughout my internship, I sat in and led a few client calls, and Mercer provided me with numerous social activities including free lunches, a client dinner due to my extensive involvement within a specific project, happy hours, an office party on a local pier, and many more! Overall I was greatly pleased by how things played out and have thoroughly enjoyed my experience.

UnitedHealthcare

By: Kassandra Matrese

This summer I worked for UnitedHealthcare as an Actuarial Analyst intern in their Hartford office. I really enjoyed my internship experience because I was able to learn a lot about the healthcare system and the related actuarial work.

I was a part of the National Accounts team that focused on network analytics and evaluating characteristics for large employers. With these characteristics, I was able to study in-network utilization to identify driving factors and determine net effective discounts through competitive intelligence data. The work required to analyze these characteristics allowed me to further develop my technical skills within Excel and SQL while also gaining exposure to Access.

Besides the actuarial work, I was able to participate in interactive learning sessions focused on healthcare regulation and innovation, as well as professional development meetings with executives and actuarial leaders. The information from these meetings gave some insight into other departments and helped to shape my internship into a well-rounded experience.

Changes to CAS Exam 3L

By: Amy Weidert

For those of you pursuing the Property/Casualty actuarial track, you may find this information helpful about the changes to Exam 3L. With the SOA's announcement that it will discontinue the Joint Preliminary Actuarial Examination Agreement with the CAS as of December 31, 2013, the CAS has revised several components of their Exam 3L.

Beginning in 2014, the CAS will offer two exams in place of 3L: 3LC and 3ST. 3LC will cover life contingencies and survival models and 3ST will cover statistics and stochastic modeling. Both exams will be multiple choice. Exam 3LC will be 1.5 hours with 15 questions, while Exam 3ST will be 2.5 hours with 25 questions.

An exam taker who has credit for 3L or MLC from exam sittings prior to January 1, 2014 will receive credit for both CAS exams 3LC and 3ST. If a candidate passes MLC after this date, they will only receive credit for Exam 3LC.

The CAS believes this new addition will better prepare those candidates pursuing a casualty actuarial career, as they need more background in statistics than is covered on MLC.

Congratulations to the 2013-2014 Executive Board!

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